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Office of the State Prosecutor

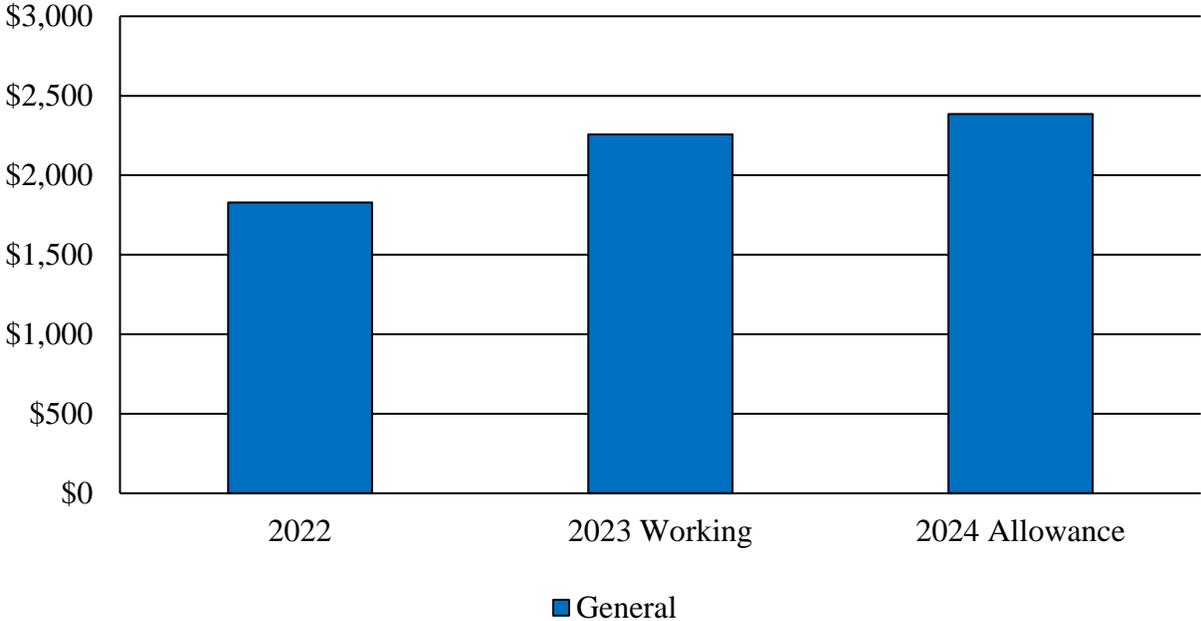
Program Description

The Office of the State Prosecutor (OSP) is an independent agency within the Executive Branch that investigates and, where warranted, prosecutes criminal offenses affecting the honesty and integrity of governmental officials, institutions, and the electoral process. The State Prosecutor may investigate on their own initiative – or at the request of the Governor, the Attorney General, the General Assembly, the State Ethics Commission, or a State’s Attorney – certain criminal offenses including election law and public ethics law violations; State bribery law violations involving public officials or employees; misconduct in office by public officials or employees; and extortion, perjury, or obstruction of justice related to any of the above.

In addition, the State Prosecutor may investigate and prosecute any offense that takes place in more than one county within the State or in more than one state including Maryland.

Operating Budget Summary

Fiscal 2024 Budget Increases \$128,842, or 5.7%, to \$2.4 Million
(\$ in Thousands)



Note: The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

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Proposed Deficiency

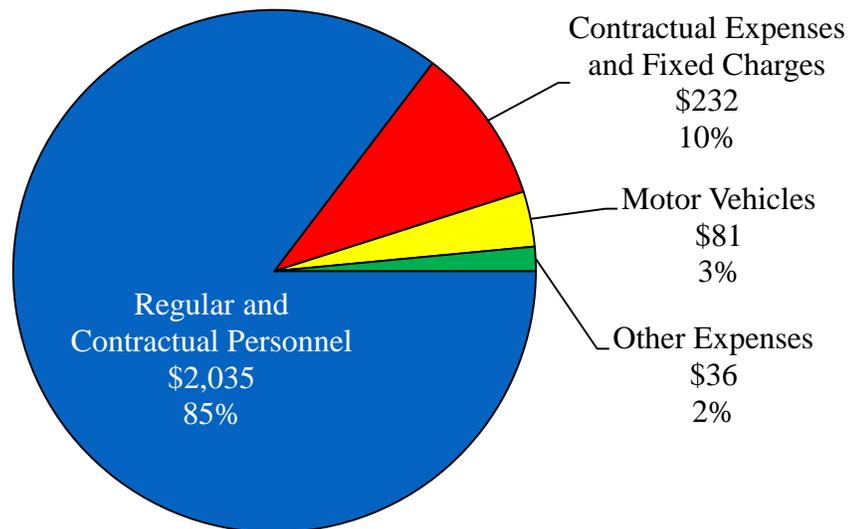
Proposed deficiency appropriations supplement the fiscal 2023 budget for OSP by \$263,329 in general funds. Deficiencies are provided for the following purposes:

- \$185,487 to supplement the appropriation for 3 contractual positions for an Assistant State Prosecutor, 1 paralegal providing administrative support, and 2 part-time investigators; and
- \$77,842 to supplement operational shortfalls in the areas of regular salaries, motor vehicle expenses, contractual services, supplies and materials, and fixed charges.

Fiscal 2024 Overview of Agency Spending

As shown in **Exhibit 1**, approximately 85% of the OSP budget is dedicated to personnel spending. Other large parts of the OSP budget include contractual spending, which is mostly used for transcription services for depositions, interviews, and other legal proceedings; and motor vehicles.

Exhibit 1
Overview of Agency Spending
Fiscal 2024 Allowance
(\$ in Thousands)



Source: Department of Budget and Management; Department of Legislative Services

Proposed Budget Change

The fiscal 2024 allowance for OSP increases by \$128,842, as shown in **Exhibit 2**. This increase is largely driven by an increase in contractual personnel expenses and motor vehicle purchases.

Exhibit 2
Proposed Budget
Office of the State Prosecutor
(\$ in Thousands)

How Much It Grows:	General Fund	Total
Fiscal 2022 Actual	\$1,829	\$1,829
Fiscal 2023 Working Appropriation	2,256	2,256
Fiscal 2024 Allowance	<u>2,385</u>	<u>2,385</u>
Fiscal 2023-2024 Amount Change	\$129	\$129
Fiscal 2023-2024 Percent Change	5.7%	5.7%

Where It Goes:	Change
Personnel Expenses	
Incremental salary increases	\$75
Employee and retiree health insurance	32
Annualization of November 2022 4.5% cost-of-living adjustment.....	23
Employees’ retirement system	15
Social Security contributions.....	5
Other fringe benefit adjustments	-27
Turnover adjustments	-79
Other Changes	
Purchase of five motor vehicles for investigation and prosecution-related travel	58
Lower budgeted turnover for contractual personnel	49
Agency allocation for statewide cost allocations	10
State insurance coverage	-3
Non-Department of General Services rent expenses.....	-4
Contractual transcription services for legal proceedings.....	-5
Garage rental expenses	-5
Other adjustments.....	-7
Vehicle maintenance and repair	-8
Total	\$129

Note: Numbers may not sum to total due to rounding. The fiscal 2023 working appropriation includes deficiency appropriations including this agency’s share of a deficiency appropriation budgeted in the Statewide Account within the Department of Budget and Management (DBM). Fiscal 2024 salary enhancements are budgeted in the Statewide Account within DBM.

Motor Vehicle Purchases

The fiscal 2024 allowance includes funding for the purchase of five motor vehicles. OSP has determined that their various needs would be best served by one sedan, two midsize SUVs, and two full-size SUVs. OSP intends to use these vehicles for travel throughout the State for investigations, prosecutions, and surveillance. The different vehicle types will be useful to OSP when executing a search warrant or conducting surveillance and will help to protect employee safety.

Personnel Data

	<u>FY 22</u> <u>Actual</u>	<u>FY 23</u> <u>Working</u>	<u>FY 24</u> <u>Allowance</u>	<u>FY 23-24</u> <u>Change</u>
Regular Positions	13.00	13.00	13.00	0.00
Contractual FTEs	<u>1.50</u>	<u>0.00</u>	<u>3.00</u>	<u>3.00</u>
Total Personnel	14.50	13.00	16.00	3.00

Vacancy Data: Regular

Turnover and Necessary Vacancies, Excluding New Positions	0.62	4.80%
Positions and Percentage Vacant as of 12/31/22	1.00	7.69%
Vacancies Above Turnover	0.38	

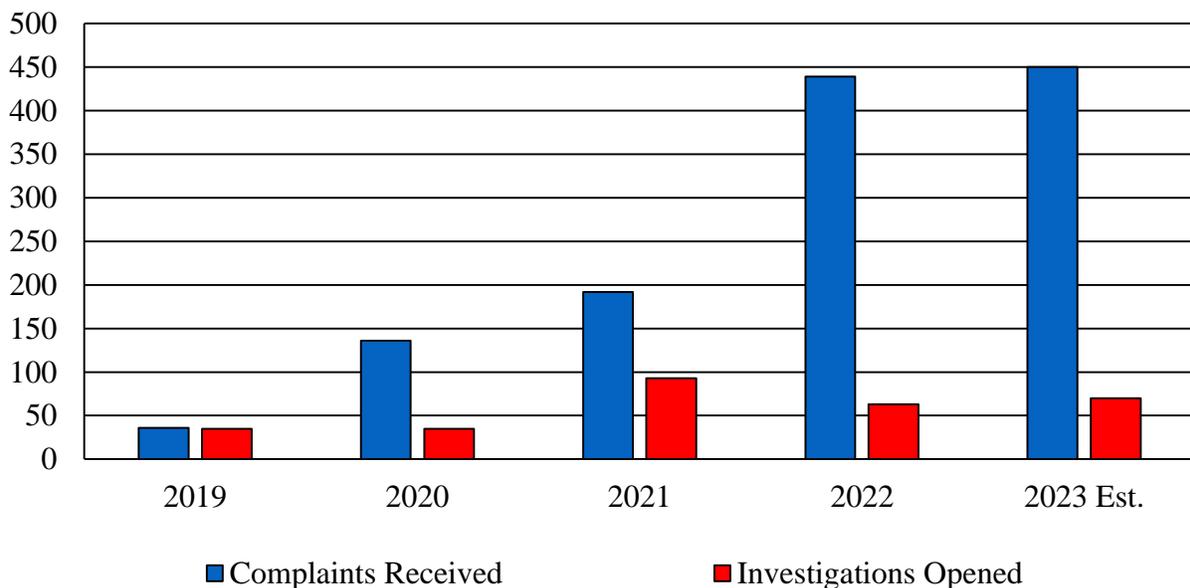
- The 1 regular position currently vacant is expected to be filled by a contractual attorney who has agreed to join OSP on a permanent basis.
- The 3 new contractual full-time equivalent (FTE) positions in the fiscal 2024 allowance represent 4 contractual employee positions. One FTE will be split in half, with the first position being a criminal investigator and the second being a forensic auditor. The second FTE is for an additional contractual attorney to assist in handling OSP’s increased caseload. The third FTE is for a paralegal who will assist with investigations and litigation.

Key Observations

1. Corruption Complaints Increase after Implementation of New Reporting System

Corruption complaints submitted to OSP increased more than tenfold between fiscal 2019 and 2022, growing from 36 complaints to 439 complaints over the four-year period. OSP attributes this spike in corruption complaints to its rollout of a new online system for submitting complaints as well as an increased presence on social media. This increase in complaints has accordingly resulted in an increase in the number of investigations opened, with 63 investigations opened in fiscal 2022, as opposed to 35 in fiscal 2019. Expanded data regarding the number of complaints received and the number of investigations opened may be found in **Exhibit 3**.

Exhibit 3
Corruption Complaints and Investigations Opened
Fiscal 2019-2023 Est.



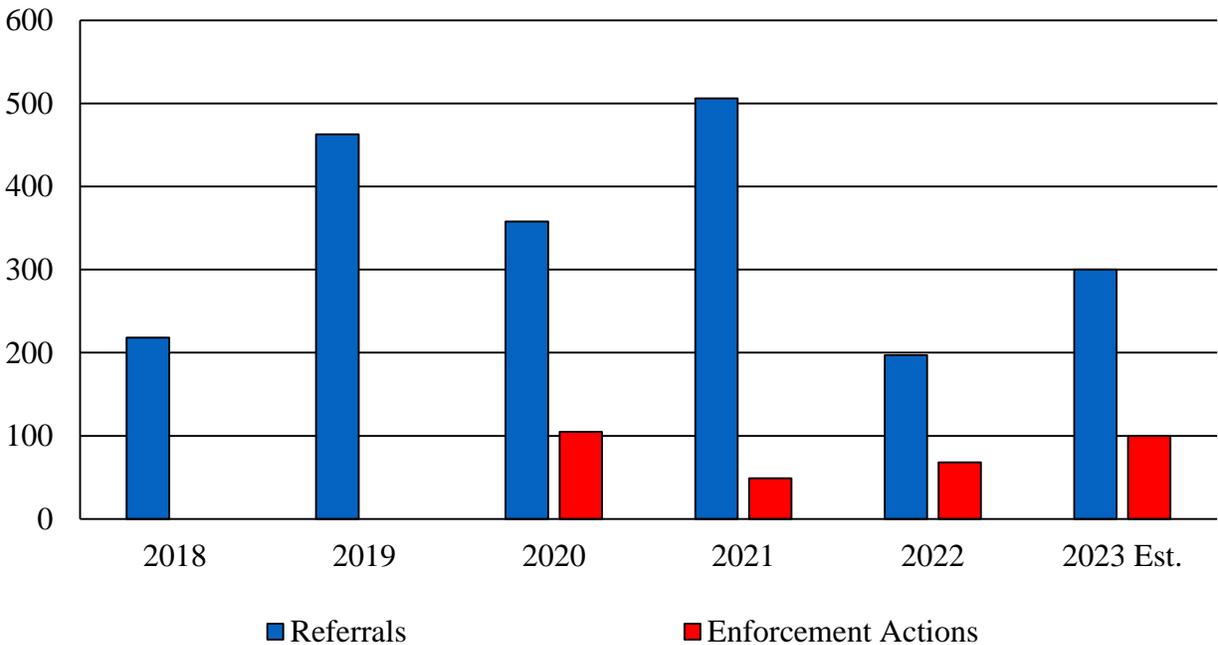
Source: Department of Budget and Management; Department of Legislative Services

While OSP is receiving more complaints, the number of investigations opened has not risen proportionally. Following the increase in complaints received, OSP has implemented new processes for triaging and adequately assessing every complaint received with help from a new case management system.

2. Election Law Referrals Decrease, Enforcement Actions Increase

OSP is responsible for investigating referrals related to potential violations of election law. Referrals are first presented to the State Board of Elections and are reviewed by personnel at that agency before they are sent to OSP. The number of referrals generally fluctuates in concert with the federal election cycle. As such, the years with the highest referrals recently have been fiscal 2021 with 506 referrals and fiscal 2019 with 463 referrals. The number of referrals tends to be lower in years without a federal election, as seen in fiscal 2018, when only 218 election law referrals were made to OSP. **Exhibit 4** shows a full breakdown of the number of election law referrals and enforcement actions since fiscal 2018.

Exhibit 4
Election Law Referrals and Enforcement Actions
Fiscal 2018-2023 Est.



Note: Enforcement actions taken is a measure that was not reported prior to fiscal 2020.

Source: Department of Budget and Management; Department of Legislative Services

Operating Budget Recommended Actions

1. Concur with Governor's allowance.

**Appendix 1
Object/Fund Difference Report
Office of the State Prosecutor**

<u>Object/Fund</u>	<u>FY 22 Actual</u>	<u>FY 23 Working Appropriation</u>	<u>FY 24 Allowance</u>	<u>FY 23 - FY 24 Amount Change</u>	<u>Percent Change</u>
Positions					
01 Regular	13.00	13.00	13.00	0.00	0%
02 Contractual	1.50	0.00	3.00	3.00	N/A
Total Positions	14.50	13.00	16.00	3.00	23.1%
Objects					
01 Salaries and Wages	\$ 1,419,222	\$ 1,666,401	\$ 1,800,423	\$ 134,022	8.0%
02 Technical and Special Fees	111,000	0	234,951	234,951	N/A
03 Communication	6,504	7,800	7,800	0	0%
04 Travel	30,536	7,000	7,000	0	0%
07 Motor Vehicles	34,702	21,420	81,424	60,004	280.1%
08 Contractual Services	136,151	145,143	154,861	9,718	6.7%
09 Supplies and Materials	12,438	21,261	20,936	-325	-1.5%
13 Fixed Charges	78,497	77,260	77,585	325	0.4%
Total Objects	\$ 1,829,050	\$ 1,946,285	\$ 2,384,980	\$ 438,695	22.5%
Funds					
01 General Fund	\$ 1,829,050	\$ 1,946,285	\$ 2,384,980	\$ 438,695	22.5%
Total Funds	\$ 1,829,050	\$ 1,946,285	\$ 2,384,980	\$ 438,695	22.5%

Note: The fiscal 2023 appropriation does not include deficiencies. The fiscal 2024 allowance does not include contingent reductions or cost-of-living adjustments.